

Austin Update

Senator Taylor's Gulf Coast Protection District Bill Advances

1. Senate Committee on Water, Agriculture & Rural Affairs

On March 29th, I testified on SB 1160 (attached staff summary) Gulf Coast Protection District legislation authored by Senator Larry Taylor. I shared with the Committee copies of City Council's Resolution of Support and our Coastal Spine Texas Fact Sheet (both attached). The [Committee Substitute for SB 1160](#) was reported favorably by the Committee unanimously.

2. Senate Committee on Jurisprudence

The Senate Committee on Jurisprudence favorably reported SB 23, "Back the Blue" legislation that prohibits local governments from reducing or reallocating funds from law enforcement budgets as compared to the preceding fiscal year without receiving voter approval. A three-year disaster exception is provided for local governments impacted by a natural disaster such as a hurricane, tornado, flood, wildfire, but not including drought, epidemic or pandemic. The Committee Substitute favorably reported is attached.

3. House Committee on Insurance

On Tuesday, March 30th, I testified on several bills affecting the Texas Windstorm Insurance Association (TWIA). The bills were left pending in committee.

[HB 3809 \(Hunter\)](#) – moves TWIA premium rate setting responsibilities to the Department of Insurance, premium rates must be reasonable to the public and nonfiscatory to member insurers (provide for fair return).

[HB 3810 \(Hunter\)](#) – establishes that a TWIA premium rate increase requires a two-thirds vote of the board of directors to approve the new rate.

[HB 3684 \(Bonnen\)](#) – continued the windstorm insurance Legislative Funding and Funding Structure Oversight Board, legislative recommendations report due to the governor, lieutenant governor, and speaker of the house no later than January 1, 2023.

[HB 2920 \(Lozano\)](#) – establishes a grace period of no more than 10 days after the effective date of a policy for the receipt of a premium payment for the renewal of a policy.

[HB 769 \(Middleton\)](#) – requires TWIA headquarters to be located in a first tier or second tier coastal county; prohibits the Board of Directors from voting on a proposed rate filing when there is a vacancy on the board; requires insurer members to provide reinsurance to the association at no cost to the association in lieu of reinsurance purchased by TWIA; prohibits a member insurer from purchasing reinsurance from an insurer who is involved with preparing the risk model TWIA relies upon when determining probable maximum loss for reinsurance purposes; and other administration modifications.

4. House Committee on Urban Affairs

The City of Galveston submitted written comments on HB 2869 (see attached). The bill would require binding arbitration if the parties: (a) reach an impasse in collective bargaining; or (b) are

unable to settle after the 61st day after the date the appropriate lawmaking body fails to approve a contract reached through collective bargaining. The bill was left pending in committee.

5. House Committee on Pensions, Investments & Financial Services

I testified before the House Committee on Pensions, Investments & Financial Services based upon the City of Galveston written comments (attached) submitted on HB 3898. A key provision of the bill would require joint development and adoption of written funding policies by the retirement system governing board and the governmental entity. The bill was left pending in Committee and Chairman committed on his openness to working on recommendations presented by the City.

2021 Legislative Session – What to Expect

Important Dates:

60 Days left of the 87th Legislative Session.

May 10 – Last Day for House Committee to report House bills.

May 14 – Last Day for House to consider House bills.

Committee Hearings scheduled for week of April 5 – April 9 (the following highlights bills that may be of interest to Galveston) Please let me know your specific concerns with any bills.

April 6:

House Ways and Means Committee

[HB 2438 \(Meyer\)](#) Relating to municipalities and counties that adopt budgets that defund law enforcement agencies.

[HB 2695 \(Noble\)](#) Relating to municipalities and counties that adopt budgets that defund law enforcement agencies.

[HB 3021 \(Burns\)](#) Relating to municipalities and counties that adopt budgets that defund law enforcement agencies.

[HB 3935 \(Slawson\)](#) Relating to the distribution of municipal sales and use tax revenue to a municipality that reduces the funding allocated to law enforcement agencies.

[HB 4072 \(Meyer\)](#) Relating to the location at which certain sales are consummated for purposes of local sales and use taxes.

[HB 3376 \(Meyer\)](#) Relating to the effect of a disaster on the calculation of certain tax rates and the procedure for adoption of a tax rate by a taxing unit.

House Committee on Judiciary & Civil Jurisprudence

[HB 2144 \(Harris\)](#) Relating to the tort of public nuisance.

[HB 4172 \(Middleton\)](#) Relating to the burden of proof in a suit or administrative proceeding to establish that an area is subject to the public beach easement.

House Committee on Land & Resource Management

[HB 4121 \(Guillen\)](#) Relating to prompt review of land development applications and the award of court costs and attorney's fees against a political subdivision in certain actions.

House Committee on Insurance

[HB 1451 \(Herrero\)](#) Relating to the board of directors of the Texas Windstorm Insurance Association.

[HB 3564 \(Paul\)](#) Relating to the authority of the Texas Department of Insurance to rescind a certificate of compliance issued for an improvement for purposes of coverage through the Texas Windstorm Insurance Association.

House Committee on Transportation

[HB 1281 \(Wilson\)](#) (Companion bill SB 206) Relating to the operation of certain low-powered vehicles

[HB 2081 \(Reynolds\)](#) Relating to motor vehicle accidents involving a pedestrian or other vulnerable road

[HB 2700 \(Martinez\)](#) Relating to agreements for municipal maintenance of state highway right-of-way.

[HB 3713 \(Canales\)](#) Relating to the conveyance of certain real property by certain navigation districts.

Senate Committee on Business and Commerce

[SB 861 \(Paxton\)](#) Relating to remote meetings under the open meetings law.

[SB 1448 \(Taylor\)](#) Relating to the continuation of the windstorm insurance legislative funding and funding structure oversight board and to studies relating to the Texas Windstorm Insurance Association and the Fair Access to Insurance Requirements Plan.

[SB 1492 \(Bettencourt\)](#) Relating to an expedited response by a governmental body to a request for public information.

Senate Committee on Jurisprudence

[SB 1055 \(Huffman\)](#) Relating to motor vehicle accidents involving a pedestrian or other vulnerable road user within the area of a crosswalk (including golf carts and scooters); creating a criminal offense.

Senate Committee on Local Government

[SB 10 \(Bettencourt | et al.\)](#) Relating to the use by a county or municipality of public money for lobbying activities. Attached is a Committee Substitute that is being floated.

[SB 1401 \(Springer\)](#) Relating to quarantine leave for fire fighters, peace officers, and emergency medical technicians employed by, appointed by, or elected for a political subdivision.

[SB 1879 \(Bettencourt | et al.\)](#) Relating to the authorization and reporting of expenditures for lobbying activities by certain political subdivisions and other public entities.

April 7:

House Committee on Urban Affairs

[HB 1803 \(Wilson\)](#) Relating to requiring county approval of a proposed purchase or conversion by a municipality of a property to house homeless individuals.

[HB 2548 \(Morrison\)](#) Relating to the inspection of municipal buildings during a declared disaster.

Senate Committee on Finance

[SB 1372 \(Huffman | et al.\)](#) Relating to the evaluation and reporting of investment practices and performance of certain public retirement systems. See [Senate Analysis](#).

April 8:

House Committee on Elections

[HB 1026 \(Middleton\)](#) Relating to the duties of the secretary of state relating to voter registration.

[HB 782 \(Swanson | et al.\)](#) Relating to requirements for certain petitions requesting an election and ballot propositions.

House Committee on State Affairs

[HB 1477 \(Bell, Keith | et al.\)](#) Relating to performance and payment bonds for public work contracts on public property leased to a nongovernmental entity.

[HB 3435 \(Smithee\)](#) Relating to an expedited response by a governmental body to a request for public information.

[HB 2578 \(Leach\)](#) Relating to the comptroller's establishment and operation of a public information Internet website.

House Committee on County Affairs

[HB 1703 \(Middleton | et al.\)](#) Relating to disclosure of certain relationships with local government officers and vendors.

[HB 3967 \(Cortez\)](#) Relating to municipal and county authority to prohibit or restrict the sale of fireworks.

[HB 4085 \(Bonnen\)](#) Relating to certain meetings of a commissioners court during a disaster or emergency.

House Committee on Homeland Security & Public Safety

[HB 832 \(Thompson, Senfronia | et al.\)](#) Relating to the duties and powers of peace officers.

[HB 833 \(Thompson, Senfronia | et al.\)](#) Relating to the use of force to make an arrest or search and to law enforcement policies regarding de-escalation and proportionate response.

[HB 3712 \(Thompson, Ed\)](#) Relating to the training and hiring of peace officers.

Senate Committee on Natural Resources & Economic Development

[SB 1585 \(Hughes\)](#) Relating to the designation of a property as a historic landmark by a municipality.

Washington Update

FTA Releases American Rescue Plan Act Transit Apportionments

The American Rescue Plan Act of 2021 (ARP) contains \$30.5 billion to assist with operating costs, including payroll and PPE expenses. This includes dedicated funds to support rural transit agencies, transit service for the elderly and individuals with disabilities, and transit on Tribal lands. These funds are provided based on existing transit formulas to your transit agencies. The Rescue Package's \$30.5 billion in supplemental appropriations is being allocated to support the transit industry during the COVID-19 public health emergency. FTA will send notification when funding is available for obligation through the Transit Award Management System (TrAMS). Table 2 below indicates a \$798,050 apportionment of ARP funds for Galveston.

Table 1: [American Rescue Plan Act of 2021 Appropriations and Apportionments for Grant Programs](#)

Table 2: [American Rescue Plan Act Urbanized Area Apportionments \(Section 5307\)](#)

FEMA Risk Rating 2.0

FEMA has started to release information on [Risk Rating 2.0](#), and its potential impact on policyholders. You can view FEMA's updated overview of the program [here](#). The updated rating system is designed to reflect risk more accurately, as well as the value of insured properties.

FEMA has also released state profiles which demonstrate how premiums could be impacted in different states. In general, the percentage of policies that will see premiums increase by more than \$240 per year ranges from 3-7%, depending on the state. A sampling of the profiles is included below:

- [Alabama](#)
- [Arkansas](#)
- [Georgia](#)
- [Hawaii](#)
- [Louisiana](#)
- [Massachusetts](#)
- [Mississippi](#)
- [New Jersey](#)
- [New York](#)
- [Pennsylvania](#)
- [Texas](#)

I will keep you informed as FEMA releases more information.

If you have any questions or would like additional information on an item reported above, please do not hesitate to contact me.